of cotton origin and it is for the first time that certain silk items have been reserved for the handloom sector.

Implementation of Pay Commission recommendations in respect of Union Territory employees

1989. SHRI SUKOMAL SEN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken a decision to implement the Fourth Central Pay Commission's recommendations in repect of the employees of Union Territory of Chandigarh and other Union Territories;

(b) if so, from which date the decision has been made effective; and

(c) if no decision has so far been taken in the matter what are the reasons for the delay?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) to (c) The Fourth Central Pay Commission in Chapter 27 of the Part-I of their Report have made the following observations in regard to Union Territory of Chandigarh:—

> "We have not dealt with Chandigarh in view of the stated policy of Central Government or transfer it to Punjab."

In regard to the employees belonging to Group 'B', 'C' & 'D' categories of the remaining Union Territory Administrations, the Government have accepted broadly, subject to certain improvements the recommendations of the Pay Commission in the matter of pay scales and allowances. Copies of the Resolution and Notifications issued in this regard have been placed on the Table of the House separately.

While the revision of pay scales has been permitted with effect from 1st January 1986, the payment of certain categories of allowances, for example, House Rent Allowance, Compensatory (City) Allowance etc., has been authorised from 1st October 1986.

Shares of States in collections

1990. SHRI JAGESH DESAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that from the financial year 1986-87 States are not being given the share by way of loans for small savings collected in the form of Provident Fund and Public Provident Fund;

(b) whether Government are aware that this will affect the resources of the State Governments to finance their plans; and if so, how the Central Government purposes to fill up this gap;

(c) whether the Maharashtra State Government has requested the Central Government to give share in the form of loan against the collection of Provident Fund and Public Provident Fund; and

(d) what will be the shortfall of resources of States and Union Territories on account of not giving share of loan on account of this?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) to (d) Public Provident Fund collections are shared with State Governments. From 1-4-1986, non-Government Provident Funds, which previously invested a part of their funds in Post Offices Time Deposits are required to invest that part in Special Deposits, which is not part of small savings. Certain States, including Maharashtra had requested that this would affect their share of small savings and they have been informed that instead of looking at the resource